Form (2)

Sr. No. 3663-J

Dated ....

THE REPUBLIC OF THE UNION OF MYANMAR

The Myanmar Investment Commission

PERMIT

Permit No. 699/2014 Date 2 April 2014

The Myanmar Investment Commission issues this Permit under Section 13(b) of the Republic of the Union of Myanmar Foreign Investment Law-

(a) Name of Investor/Promoter MR. PHILIPP HOFFMANN

(b) Citizenship DEUTSCH

(c) Address SPERBERWEG 37, 21244 BUCHHOLZ, GERMANY

(d) Name and Address of principle organization JJ-PUN(S) PTE LTD. 2 CORPORATION ROAD # 03 - 06 CORPORATION PLACE (MAIN LOBBY) SINGAPORE. 618494

(e) Place of incorporation SINGAPORE

(f) Type of business in which investment is to be made MANUFACTURING AND MARKETING OF HIGH QUALITY CONCRETE BLOCKS

(g) Place(s) at which investment is permitted PLOT NO. 57, U SHWE BIN STREET, DAGON SEIKKAN INDUSTRIAL ZONE (1), DAGON SEIKKAN TOWNSHIP, YANGON REGION

(h) Amount of foreign capital US $ 1.080 MILLION

(i) Period for bringing in foreign capital WITHIN ONE YEAR FROM THE DATE OF ISSUANCE OF MIC PERMIT

(j) Total amount of capital (Kyat) EQUIVALENT IN KYAT OF US $ 1.200 MILLION (INCLUDING US $ 1.080 MILLION)

(k) Construction period ONE YEAR

(l) Permitted duration of investment 10 YEARS

(m) Form of investment JOINT VENTURE INVESTMENT

(n) Name of Company incorporated in Myanmar JJ-PUN TIOSTONE COMPANY LIMITED

Chairman

The Myanmar Investment Commission

ပြည်ထောင်စုသမ္မတမြန်မာနိုင်ငံတော်
မြန်မာနိုင်ငံ ရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်

ခွင့်ပြုမိန့်

ခွင့်ပြုမိန့်အမှတ် ၆၉၉/၂၀၁၄ ၂၀၁၄ ခုနှစ်၊ ဧပြီလ ၂ ရက်

ပြည်ထောင်စုသမ္မတ မြန်မာနိုင်ငံတော်နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု ဥပဒေ ပုဒ်မ ၁၃၊ ပုဒ်မခွဲ(ခ) အရ ဤခွင့်ပြုမိန့်ကို မြန်မာနိုင်ငံ ရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်က ထုတ်ပေးလိုက်သည် -

(က) ရင်းနှီးမြှုပ်နှံသူ/ကမကထပြုသူအမည် MR. PHILIPP HOFFMANN

(ခ) နိုင်ငံသား DEUTSCH

(ဂ) နေရပ်လိပ်စာ SPERBERWEG 37, 21244 BUCHHOLZ, GERMANY

(ဃ) ပင်မအဖွဲ့အစည်းအမည်နှင့်လိပ်စာ JJ-PUN (S) PTE. LTD. 2 CORPORATION ROAD # 03 - 06 CORPORATION PLACE (MAIN LOBBY) SINGAPORE. 618494

(င) ဖွဲ့စည်းရာအရပ် စက်ဘူ

(စ) ရင်းနှီးမြှုပ်နှံသည့်လုပ်ငန်းအမျိုးအစား အဆင့်မြင့်ကွန်ကရစ်ဘလောက်တုံးများ ထုတ်လုပ်ခြင်း နှင့် ဖြန့်ဖြူးရောင်းချခြင်းလုပ်ငန်း

(ဆ) ရင်းနှီးမြှုပ်နှံသည့်အရပ်ဒေသ(များ) မြေကွက်အမှတ်(၅၇)၊ ဦးရွှေပင်လမ်း၊ ဒဂုံဆိပ်ကမ်းစက်မှုဇုန် (၁)၊ ဒဂုံဆိပ်ကမ်းမြို့နယ်၊ ရန်ကုန်တိုင်း ဒေသကြီး

(ဇ) နိုင်ငံခြားမတည်ငွေရင်း ပမာဏ အမေရိကန်ဒေါ်လာ ၁.၀၈၀ သန်း

(ဈ) နိုင်ငံခြားမတည်ငွေရင်းယူဆောင်လာရမည့်ကာလ ကော်မရှင်ခွင့်ပြုမိန့်ရရှိပြီး (၁)နှစ် အတွင်း

(ည) စုစုပေါင်း မတည်ငွေရင်းပမာဏ(ကျပ်) အမေရိကန်ဒေါ်လာ ၁.၂၀၀ သန်း နှင့် ညီမျှသော မြန်မာကျပ်ငွေ (အမေရိကန်ဒေါ်လာ ၁.၀၈၀ သန်း အပါအဝင်)

(ဋ) တည်ဆောက်မှုကာလ ၁ နှစ်

(ဌ) ရင်းနှီးမြှုပ်နှံခွင့်ပြုသည့် သက်တမ်း ၁၀ နှစ်

(ဍ) ရင်းနှီးမြှုပ်နှံမှုပုံစံ ဖက်စပ်နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု

(ဎ) မြန်မာနိုင်ငံတွင် ဖွဲ့စည်းမည့် ကုမ္ပဏီအမည် JJ-PUN TIOSTONE COMPANY LIMITED

ဥက္ကဋ္ဌ
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

THE REPUBLIC OF THE UNION OF MYANMAR
MYANMAR INVESTMENT COMMISSION
Building No.(32), Nay Pyi Taw

Our ref : DICA-6(A)/FI-901/2014(8667-3) Tel: 067- 406334, 406075
Date : 2-April 2014 Fax: 95-67-406333

Subject: Decision of the Myanmar Investment Commission on the Proposal for "Manufacturing and marketing of High Quality Concrete Blocks" under the name of "JJ-Pun Tiostone Co., Ltd."

Reference: JJ-Pun Tiostone Co., Ltd. Letter dated (21.10.2013)

1. The Myanmar Investment Commission, at its meeting (6/2014) held on (13-2-2014) had approved the proposal for investment in "Manufacturing and marketing of High Quality Concrete Blocks" under the name of "JJ - Pun Tiostone Co., Ltd." submitted as a Joint Venture among JJ-Pun(s) Pte. Ltd. (40%) from Singapore , Tiostone (Myanmar) Ltd. (50%) from Hong Kong and Yangon Land Co., Ltd. 10% from the Republic of the Union of Myanmar.

2. Hence, the "Permit" is herewith issued in accordance with Chapter VII, section 13(b) of Foreign Investment Law and Chapter VIII, Rule 49 of the Foreign Investment Rules relating to the Foreign Investment Law. Terms and conditions to the "Permit" are stated in the following paragraphs.

3. The permitted duration of the project shall be minimum 10(Ten) years period commencing from the date of the issuance of MIC permit. The term of the Lease Agreement for land and buildings by mutual agreement between Daw Ah Mar Kyu (lessor) and JJ-Pun Tiostone Co., Ltd. shall be 10 (Ten) years from the date of signing of this Agreement and extendable for 5 (Five) years two times period by both parties. At the end of the lease period, JJ-Pun Tiostone Co., Ltd. shall transfer the leased land and immovable properties to the lessor without any consideration and in good condition.

4. The annual rent for the land and buildings shall be US$ 45,600 (United States Dollar forty- five thousand, six hundred only) calculated at the rate of US $ 5.03 per square metre per year of the land measuring 9064.97 square metres (2.24 acres). The rate of rent shall be revised every 5 years and the increase of the rent shall not be more than 15% of the preceding annual rent.

5. In issuing this "Permit," the Commission has granted, the followings, exemptions and reliefs as per Chapter XII, section 27(a), (h) and (i) of Foreign

Investment Law. Other exemptions and reliefs under section 27 shall have to be applied upon the actual performance of the project;

(a) As per section 27(a), income tax exemption for a period of five consecutive years including the year of commencement on commercial production;

(b) As per section 27(h), exemption or relief from custom duty or other internal taxes or both on machinery, equipment, instruments, machinery components, spare parts and materials used in the business, which are imported as they are actually required for use during the period of construction of business;

(c) As per section 27(i), exemption or relief from customs duty or other internal taxes or both on raw materials imported for production for the first three-year after the completion of construction of business;

6. JJ-Pun(s) Pte. Ltd. (Singapore) and Tiostone (Myanmar) Ltd. (Hong Kong) shall have to sign the Joint Venture agreement with Yangon Land Co., Ltd (Myanmar). JJ-Pun Tiostone Co., Ltd. shall have to sign the land and building Lease Agreement with Daw Ah Mar Kyu. After signing such Agreement, each of (5) copies shall have to be forwarded to the Commission.

7. JJ-Pun Tiostone Co., Ltd. in consultation with the Department of Company Registration, Directorate of Investment and Company Administration shall have to be registered. After registration, (5) copies each of Certificate of Incorporation and Memorandum of Association and Articles of Association shall have to be forwarded to the Commission.

8. JJ-Pun Tiostone Co., Ltd. shall use its best efforts for timely realization of works stated in the proposal. If none of such works has been commenced within one year from the date of issue of this "Permit", it shall become null and void.

9. JJ-Pun Tiostone Co., Ltd. has to abide by Chapter X, Rule 58 and 59 of the Foreign Investment Rules for construction period.

10. As per Chapter X, Rule 61 of the Foreign Investment Rules, extension of construction period shall not be granted more than one except it is due to unavoidable events such as natural disasters, instabilities, riots, strikes, emergency of State condition, insurgency and outbreak of wars.

11. As per Chapter X, Rule 63 of the Foreign Investment Rules, if the JJ-Pun Tiostone Co., Ltd. cannot construct completely in time the construction period or extension period, the Commission will have to withdraw the permit issued to the investor and there is no refund for the expenses of the project.

6

12. The commercial date of operation shall be reported to the Commission.

13. JJ-Pun Tiostone Co., Ltd. shall endeavour to meet the targets for production stated in the proposal as the minimum target.

14. The Commission approves periodical appointments of foreign experts and technicians from abroad as per proposal and also in accordance with Chapter XI, section 24 and section 25 of Foreign Investment Law and JJ-Pun Tiostone Co., Ltd. has to follow the existing Labour Laws for the recruitment of staff and labour in accordance with Chapter XIII, Rule 84 of the Foreign Investment Rules.

15. In order to evaluate foreign capital and for the purpose of its registration in accordance with the provisions under Chapter XV, section 37 of Foreign Investment Law, it is compulsory to report as early as possible in the following manner:-

(a) the amount of foreign currency brought into Myanmar, attached with the necessary documents issued by the respective bank where the account is opened and defined under Chapter XVI, Rule 134 and 135 of the Foreign Investment Rules;

(b) the detailed lists of the type and value of foreign capital defined under Chapter I, section 2(i) of the said Foreign Investment Law, other than foreign currency.

16. JJ-Pun Tiostone Co., Ltd. brings in foreign capital defined under Chapter I, section 2(i) of the said Foreign Investment Law, other than foreign currency in the manner stated in paragraph 15(b) mentioned above, the Inspection Certificate endorsed and issued by an internationally recognized Inspection Firm with regard to quantity, quality and price of imported materials shall have to be attached.

17. JJ-Pun Tiostone Co., Ltd. has the right to make account transfer and expend the foreign currency from his bank account in accordance with Chapter XVI, Rule 136 of the Foreign Investment Rules and for account transfer of local currency generated from the business to the local currency account opened at the bank by a citizen or a citizen-owned business in the Union and right to transfer back the equivalent amount of foreign currency from the foreign currency bank account of a citizen or citizen-owned business by submitting the sufficient document in accordance with Chapter XVII, Rule 145 of the Foreign Investment Rules.

18. JJ-Pun Tiostone Co., Ltd. shall report to the Commission for any alteration in the physical and financial plan of the project. Cost over run, over and above the investment amount pledged in both local and foreign currency shall have to be reported as early as possible.

19. JJ-Pun Tiostone Co., Ltd. shall be responsible for the preservation of the environment at and around the area of the project site. In addition to this, it shall carry out as per instructions made by Ministry of Environmental Conservation and Forestry in which to conduct Initial Environmental Examination (IEE) Process and an Environmental Management Plan (EMP) which describe the measure to be taken for preventing, mitigation and monitoring significant environmental impacts resulting from the implementation and operation of proposed project or business or activity has to be prepared and submitted, and to perform activities in accordance with this EMP and to abide by the environmental policy, Environmental Conservation Law and other environmental related rules and procedures.

20. JJ-Pun Tiostone Co., Ltd. shall contribute minimum 2% (two percent) of the annual net profit from business for the Corporate Social Responsibility (CSR) activities in Myanmar.

21. After getting permit from Myanmar Investment Commission, JJ-Pun Tiostone Co., Ltd. shall have to be registered at the Directorate of Industrial Supervision and Inspection.

22. JJ-Pun Tiostone Co., Ltd. shall have to abide by the Fire Services Department's rules, regulations, directives and instructions. Moreover, fire prevention measures shall have to undertake such as water storage tank, fire extinguishers and provide training to use the fire fighting equipments.

23. Payment of principal and interest of the loan (if any)as well as payment for import of raw materials and spare parts etc., shall only be made from local sales of JJ-Pun Tiostone Co., Ltd.

24. JJ-Pun Tiostone Co., Ltd. in consultation with Myanma Insurance, shall effect such types of insurance defined under Chapter XII, Rule 79 and 80 of the Foreign Investment Rules.

Win Shein

(Win Shein)
Chairman

JJ-Pun Tiostone Co., Ltd.

cc: 1. Office of the Union Government of the Republic of the Union of Myanmar
2. Office of the Yangon Region Government
3. Ministry of National Planning and Economic Development
4. Ministry of Finance

5. Ministry of Commerce
6. Ministry of Industry
7. Ministry of Foreign Affairs
8. Ministry of Home Affairs
9. Ministry of Immigration and Population
10. Ministry of Labour, Employment and Social Security
11. Ministry of Electric Power
12. Ministry of Environmental Conservation and Forestry
13. Ministry of Construction
14. Director General, Directorate of Investment and Company Administration
15. Director General, Directorate of Human Settlement and Housing Development
16. Director General, Directorate of Industrial Supervision and Inspection
17. Director General, Customs Department
18. Director General, Internal Revenue Department
19. Director General, Directorate of Trade
20. Director General, Immigration and National Registration Department
21. Director General, Directorate of Labour
22. Director General, Department of Environmental Conservation
23. Director General, Fire Services Department
24. Managing Director, Myanma Foreign Trade Bank
25. Managing Director, Myanma Investment and Commercial Bank
26. Managing Director, Myanma Insurance
27. Managing Director, Myanma Electric Power Enterprise
28. Chairman, Republic of the Union of Myanmar Federation of Chambers of Commerce and Industry(UMFCCI)